

who are eligible for items and services under the medicare and medicaid programs and who have opted to participate in a demonstration project under this section.

(3) DESIGNATION OF ENTITY.—

(A) IN GENERAL.—Each State, or coalition of States, shall designate entities to directly receive the payments described in paragraph (1).

(B) REQUIREMENT.—A State, or a coalition of States, may not designate an entity under subparagraph (A) unless such entity meets the quality, solvency, and coverage standards applicable to providers of items and services under the medicare and medicaid programs.

(4) STATE PAYMENTS.—Each State conducting, or in the case of a coalition of States, participating in a demonstration project under this section shall pay to the entities designated under paragraph (3) the State percentage, as defined in section 1905(b) of the Social Security Act (42 U.S.C. 1396d(b)) (as such section is in effect on the day before the date of the enactment of this Act), of any items and services provided to chronically-ill elderly and disabled beneficiaries who have opted to participate in a demonstration project under this section.

(5) BUDGET NEUTRALITY.—The aggregate amount of Federal payments to entities designated by a State, or coalition of States, under paragraph (3) for a fiscal year shall not exceed the aggregate amount of such payments that would otherwise have been made under the medicare and medicaid programs for such fiscal year for items and services provided to beneficiaries under such programs but for the election of such beneficiaries to participate in a demonstration project under this section.

(e) DURATION.—

(1) IN GENERAL.—The demonstration projects conducted under this section shall be conducted for a 5-year period, subject to annual review and approval by the Secretary.

(2) TERMINATION.—The Secretary may, with 90 days' notice, terminate any demonstration project conducted under this section that is not in substantial compliance with the terms of the application approved by the Secretary under this section.

(f) OVERSIGHT.—The Secretary shall establish quality standards for evaluating and monitoring the demonstration projects conducted under this section.

(g) REPORTS.—Not later than 90 days after the conclusion of a demonstration project conducted under this section, the Secretary shall submit to the Congress a report containing the following:

(1) A description of the demonstration project.

(2) An analysis of beneficiary satisfaction under such project.

(3) An analysis of the quality of the services delivered under the project.

(4) A description of the savings to the medicaid and medicare programs as a result of the demonstration project.

On page 1394, after line 19, insert the following:

**SEC. 7482. COST-OF-LIVING ADJUSTMENTS DURING FISCAL YEAR 1996.**

Notwithstanding any other provision of law, in the case of any program within the jurisdiction of the Committee on Finance of the United States Senate which is adjusted for any increase in the consumer price index for all urban wage earners and clerical workers (CPI-W) for the United States city average for all items, any such adjustment which takes effect during fiscal year 1996 shall be equal to 2.6 percent.

Beginning on page 786, strike line 9 and all that follows through page 788, line 6.

ADDITIONAL STATEMENTS

COMMERCIAL AVIATION FUEL TAX EXEMPTION

• Mr. SANTORUM. Mr. President, on January 31, 1995, I introduced my first bill as a U.S. Senator, S. 3004, the Commercial Aviation Fuel Tax Repeal Act. We are now on the verge of passing a budget which, for the first time in 26 years, will balance the Federal budget and eliminate the Federal deficit. I am proud to note that S. 304 has been incorporated to a great extent into this historic budget. As a result, I wish to take this time to mention the thousands of workers and the many unions and business professionals who have provided consistent support for this crucial piece of legislation.

First, I wish to submit for the record a resolution as passed by the National Aerospace Workforce Coalition. Throughout the debate on the aviation fuel tax issue, I worked closely with the National Aerospace Workforce Coalition. This organization consists of local unions and workforce associations. The coalition represents some 42 different unions in 29 States. Many of my colleagues have received letters and phone calls from coalition members in their States. The coalition believes, as I do, that a commercial aviation fuel tax will be extremely harmful to America's manufacturing base.

The resolution which I have submitted goes to the heart of the relationship between a tax on jet fuel and commercial aircraft orders, namely, that every increase in taxes on commercial jet fuel will be followed by more cancellations and deferred orders of American made engines and aircraft.

The labor unions supporting the repeal of this fuel tax include the spectrum of America's aerospace industrial base. This resolution has been passed by unions representing scientists and engineers, production workers, as well as unions engaged in casting and fabricating the specialized metals used in the production of modern aircraft.

Further, I wish to note that the International Association of Machinist and Aerospace Workers, District Lodge 141 passed a similarly worded resolution on October 24, 1995. This union represents 34,000 members at 13 airlines, and their delegates unanimously passed this resolution at their annual convention.

The balanced budget which the Senate will pass shortly relieves the airline industry from any unfair tax, but only for a limited time. Currently, the House of Representatives has extended the aviation fuel tax exemption for 2 years and the Senate shall extend it for only 17 months. I am pleased that in these difficult budgetary times both Chambers have recognized not only the unfairness of this unprecedented tax, but the critical need to avoid further hindering a struggling industry. However, absent outright repeal, I strongly believe that any extension of the ex-

emption must run for at least 2 years. I will work hard during the House-Senate conference on the budget to ensure that the extension extends for at least this long. Further, it is critical for the Congress to address broader taxation and fee issues with respect to the airline industry during the next session of the 104th Congress. I will work to hold hearings on this issue in the spring of 1996.

The reasons for at least a 2-year extension are clear. U.S. airlines have lost money every year since 1990, with losses for the period totaling almost \$13 billion. Almost one-half of all major U.S. airlines have filed for chapter 11 bankruptcy protection during the crisis, including America West, Continental, twice, TWA, twice, Eastern, Pan Am, and Midway. The last three have ceased operations altogether. Cumulative industry debt since 1990 has increased from \$9 billion to \$46 billion, and the bonds of all major U.S. airlines are rated as junk bonds. Airlines are facing Government-mandated fleet replacement costs to upgrade fleets to quiet technology aircraft that will exceed \$15 billion a year through the rest of the decade. Imposing a fuel tax now, at a cost of \$527 million a year, would wreak havoc on an industry struggling to survive.

In addition, the airline industry has historically paid excise and cargo fees in lieu of any fuel tax. These fees will exceed \$6.9 billion in 1995. Imposing a fuel tax absent any broader effort at reassessing these other taxes would be both unprecedented and unfair.

Hence, for both fiscal and fairness reasons, an extension of the aviation fuel tax exemption is greatly needed. While we in the Senate have taken steps in the right direction by incorporating S. 304, in part, into this year's budget act, we must continue to ensure that the airline industry is taxed fairly. This industry is one of our Nation's last great manufacturing gains, and its tens of thousands of workers deserve the right to continue to uphold America's predominance in this critical industry.

I ask that the National Aerospace Workforce Coalition resolution referred to earlier be printed in the RECORD.

The resolution follows:

AVIATION FUEL TAX RESOLUTION

Whereas our country's airline industry has suffered enormous losses over the last five years, reducing airline employment by more than 120,000 workers and forcing remaining workers to accept reductions in wages and benefits;

Whereas several years ago government mandates required the airline companies to pay excise taxes and fees in lieu of a fuel tax, which today collectively amounts to more than 52 cents per gallon of fuel and places our nation's airline companies at a competitive disadvantage;

Whereas there is a direct relationship between a healthy airline industry and a healthy aerospace industry, and that only profitable airlines can modernize their fleets with American-built engines and aircraft to help revive an aerospace industry already devastated by drastic cuts in defense;

Whereas over 1,000 commercial aircraft orders have been canceled or deferred in the past five years, because of losses in the airline industry resulting in a cost of 125,000 airframe and aerospace jobs;

Whereas every increase in taxes on commercial airline fuel will be followed by more cancellations and deferred orders of American-made aircraft;

Therefore the National Aerospace Workforce Coalition urges the Senate to repeal the aviation fuel tax as it will only cause more hardship for American workers and further erode our country's aerospace industrial base.●

#### CONSECRATION CELEBRATION

● Mr. SARBANES. Mr. President, I rise today to call to the attention of my colleagues the activities that are underway to commemorate the consecration celebration of the St. Demetrios Greek Orthodox Church of Baltimore, MD. This indeed is a major achievement for this community and culminates 25 years of dedication, hard work, and energetic involvement.

His Excellency Metropolitan Silas of New Jersey will join with Father Ernest Arambiges, pastor of St. Demetrios, and the parishioners and friends of the community to celebrate the ancient ceremony of consecration. This signifies that the church is formally dedicated to its spiritual mission.

Founded in 1970, St. Demetrios is one of three centers of worship for the Greek Orthodox community in Baltimore. Located in northern Baltimore County, St. Demetrios is a product of the love and labor of its parishioners. It took the 300 families of St. Demetrios almost 8 years of fund-raising before they had the means to build their church's edifice. Before that, they worshipped in the auditorium of Parkville High School. The community has worshipped in the present edifice for over a decade and has found itself a permanent and lasting home.

The consecration marks a new chapter in the history of Orthodoxy in Maryland as the St. Demetrios community is the first in the Baltimore area located outside the central city area. It is a focal point for wholesome community life where young and old can pray, learn, and grow together both socially and spiritually.

I want to congratulate the entire St. Demetrios family for their dedication and for enriching our Baltimore community with this inspiring church building.

Mr. President, I request that an article from the Baltimore Sun which records this important event be printed in the RECORD.

The article follows:

[From the Baltimore Sun]

#### ST. DEMETRIOS CONSECRATION PLANNED SUNDAY

In what Greek Orthodox clergy say is "a once-in-lifetime event," Baltimore County's St. Demetrios Church will be consecrated this weekend by two of the denomination's revered leaders, who will encase relics of three early Christian saints in the altar table.

His Eminence Archbishop Iskovos and His Excellency Metropolitan Silas will preside at the consecration service at 9 a.m. Sunday, the culmination of a series of ancient rites this week at the domed church at 2504 Cub Hill Road.

Construction of the church, decorated in the Byzantine style, began in 1983 on a 30-acre site in the Cub Hill section of the county north of Carney.

Bones of Saints Boniface, Cyril of Alexandria and Panteleimon will be brought to the church tomorrow and set on a paten. The relics will be covered with a veil until Sunday morning, when they will be interred in a 1,600-year-old ceremony.

During the services Sunday, Archbishop Iakovos, Primate of the Greek Orthodox Archdiocese of North and South America, will be assisted by Metropolitan Silas, who has immediate jurisdiction over the parish. They will carry the relics around the church three times in a procession of the congregation.

Water and oil will be used in the consecration service, which will include the lighting of the vigil lamp before the tabernacle.

The congregation's worship and celebrations this week began with the St. Demetrios Feast Day Vesper Service and a reception Wednesday evening, and continued with a Divine Liturgy yesterday morning. The Great and Solemn Vespers of Consecration at 7 p.m. tomorrow will be followed by another reception in the church's Fellowship Hall.

The congregation has planned a third reception and a dinner-dance beginning at 5 p.m. Sunday at the Sheraton Baltimore North Hotel, 903 Dulany Valley Road, Towson.

#### EXECUTIVE SESSION

#### EXECUTIVE CALENDAR

Mr. LOTT. Mr. President, I ask unanimous consent that the Senate go into Executive session and immediately proceed to consideration to calendar nominations 316 and 328. I further ask unanimous consent that the nominations be confirmed en bloc, the motions to reconsider be laid upon the table en bloc, that any statements relating to the nominations appear at the appropriate place in the RECORD, and the President be immediately notified of the Senate's action, and the Senate then return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nominations considered and confirmed en bloc, are as follows:

#### NAVY

The following named captains of the Reserve of the U.S. Navy for permanent promotion to the grade of rear admiral (lower half) in the line and staff corps, as indicated, pursuant to the provision of Title 10, United States Code, section 5912:

#### UNRESTRICTED LINE OFFICER

*To be rear admiral (lower half)*

Capt. Kenneth Peter Barausky, 000-00-0000, U.S. Naval Reserve  
Capt. Martin Edward Janczak, 000-00-0000, U.S. Naval Reserve  
Capt. Pierce Jarvis Johnson, 000-00-0000, U.S. Naval Reserve  
Capt. Michael Robert Scott, 000-00-0000, U.S. Naval Reserve.

#### INTELLIGENCE OFFICER

*To be rear admiral (lower half)*

Capt. Larry Lafayette Poe, 000-00-0000, U.S. Naval Reserve

#### PUBLIC AFFAIRS OFFICER

*to be rear admiral (lower half)*

Capt. Richard Harry Wells, 000-00-0000, U.S. Naval Reserve

#### MEDICAL CORPS OFFICER

*To be rear admiral (lower half)*

Capt. John Bert Cotton, 000-00-0000, U.S. Naval Reserve  
Capt. John Conant Weed, Jr., 000-00-0000, U.S. Naval Reserve

#### SUPPLY CORPS

*To be rear admiral (lower half)*

Capt. Fred Joseph Schuber III, 000-00-0000, U.S. Naval Reserve

#### CHAPLAIN CORPS

*To be rear admiral (lower half)*

Capt. Peter Hess Beckwith, 000-00-0000, U.S. Naval Reserve

#### DEPARTMENT OF DEFENSE

John Wade Douglass, of Virginia, to be an Assistant Secretary of the Navy.

#### LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will return to legislative session.

#### ORDERS FOR TUESDAY, OCTOBER 31, 1995

Mr. LOTT. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until the hour of 9:30 a.m., Tuesday, October 31; that following the prayer, the Journal of proceedings be deemed approved to date, no resolutions come over under the rule, the call of the calendar be dispensed with, the morning hour be deemed to have expired, the time for the two leaders be reserved for their use at their choice later in the day, and the Senate then proceed to a period for the transaction of routine morning business until 10 a.m., with Senators permitted to speak for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LOTT. I further ask that following the period for morning business the Senate proceed to the consideration of the Transportation appropriations conference report.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### PROGRAM

Mr. LOTT. Mr. President, for the information of all Senators, the Senate will consider the Transportation conference report, and other available appropriations conference reports and bills, and possibly available authorizations bills. At least a couple of hours of debate is anticipated for the appropriations conference report, and a rollcall vote may be requested on adoption of the conference report. However, that vote would not occur until after the policy luncheons some time after 2 o'clock.

I ask unanimous consent that the Senate stand in recess between the hours of 12:30 p.m. and 2:15 p.m. in